GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2628
ANSWERED ON:15.12.2015
DAP Fertilizers
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the selling price of Di-Ammonium Phosphate (DAP) fertilizers in various States including Uttar Pradesh has raised steeply during the last few years, if so, the details thereof and the reasons therefor;

(b) whether prices of fertilizers are proposed to be cut to provide some relief to the farmers;

(c) the reasons for gap in demand and supply of DAP fertilizers and the steps taken to remove this gap and make the country self reliant in the production of DAP fertilizers; and

(d) the reasons for low consumption of DAP fertilizers in the country, and the details of the steps taken to ensure balanced use of DAP fertilizes and urea in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERILIZERS

(SHRI HANSRAJ GANGARAM AHIR)

(a): No, Madam. The Maximum Retail Price of Di-ammonium Phosphate (DAP) during 2013-14 had come down by 0.65%. However, in 2014-15 and in the current year upto November, the MRP of DAP has increased slightly by 4.06% and 6.40% respectively mainly due to depreciation of exchange rate. A statement showing state-wise average MRP of DAP and percentage of decrease/increase in MRP is attached as Annexure.

(b): In respect of Phosphatic and Potassic (P&K) Fertilizers, Government is implementing Nutrient Based Subsidy Policy w.e.f. 1.4.2010. Under the policy, a fixed amount of subsidy, decided on annual basis, is provided on subsidised P&K fertilizers depending on their nutrient content. Under this policy, MRP is fixed by fertilizer companies as per market dynamics. Government does not fix the MRP of P&K fertilizers.

(c): There is adequate availability of DAP in the country. The total availability and sale of DAP for 2014-15 and 2015-16 (upto November 2015) show that the overall availability is higher than the sales. In order to ensure availability of fertilizers in adequate quantities to the farmers following steps are taken by the Government:

(i) The movement of all major subsidized fertilizers is being monitored throughout the country by an on-line web based monitoring system (www.urvarak.co.in) also called as Fertilizer Monitoring System (FMS);

(ii) The State Governments are regularly advised to coordinate with manufacturers and importers of fertilizers for streamlining the supplies through timely placement of indents for railway rakes through their state institutional agencies like Marked etc.

(iii) Regular Weekly Video Conference is conducted jointly by Department of Agriculture & Cooperation (DAC), Department of Fertilizers (DoF), and Ministry of Railways with State Agriculture Officials and corrective actions are taken to dispatch fertilizer as indicated by the State Governments.

(iv) The gap in the demand and domestic production of fertilizers is met through imports.

(d): There are many reasons for low consumption of P&K fertilizers in the country. One of the reasons is difference in the prices of P&K fertilizers and Urea during the last five years as a result of static urea prices fixed by Government and market determined prices of P&K fertilizers. In order to ensure balanced use of P&K fertilizers and Urea in the country, following steps have been/are taken:

i. After implementation of NBS Policy adequate availability of P&K fertilizers to farmers have been ensured.

ii. Soil Health Management under National Mission on Sustainable Agriculture (NMSA) is being implemented to promote Integrated Nutrient Management (INM) through judicious use of chemical fertilizers including secondary and micro nutrients in conjunction with organic manures and bio-fertilizers for improving soil health and its productivity; upgradation of skill and knowledge of soil testing laboratory staff, extension staff and farmers through training and demonstrations.

iii. Farmers are issued Soil Health Cards from February 2015 onwards giving information relating to nutrient status of their soil along

with recommendations for application of appropriate dosage of nutrients for improving soil health and its fertility.

iv. Assessment of soil nutrient status in all the 14 crore farm holdings regularly in a cycle of 3 years in order to identify nutrient deficiencies and amendments applied.

v. Financial assistance is given to State Governments for providing training to farmers on application of fertilizers on soil test basis.

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